

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE TWELVE (12)-MONTHS FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR QUARTER 31.12.2015	PRECEDING YEAR QUARTER 31.12.2014	CURRENT YEAR 31.12.2015	PRECEDING YEAR 31.12.2014
	RM	RM	RM	RM
Revenue	5,944,812	2,328,310	23,640,591	16,270,764
Cost of Sales	<u>(5,271,011)</u>	<u>(2,958,337)</u>	<u>(19,405,624)</u>	<u>(12,792,185)</u>
Gross profit	673,802	(630,027)	4,234,967	3,478,579
Other Income	(72,121)	1,231,010	1,683,904	1,627,649
Operating Expenses	<u>(4,478,545)</u>	<u>(8,315,792)</u>	<u>(18,604,653)</u>	<u>(23,420,060)</u>
Finance Costs	<u>(35,020)</u>	<u>(42,082)</u>	<u>(149,936)</u>	<u>(186,448)</u>
Loss before Tax	(3,911,885)	(7,756,891)	(12,835,718)	(18,500,280)
Income Tax	<u>-</u>	<u>(875,573)</u>	<u>-</u>	<u>(875,573)</u>
Loss for the year	<u>(3,911,885)</u>	<u>(8,632,464)</u>	<u>(12,835,718)</u>	<u>(19,375,853)</u>
Other comprehensive income/(loss), net of tax:				
(Reversal of revaluation)/ Revaluation of land and buildings	-	(700,000)	-	(700,000)
Foreign currency translation differences for foreign operations	(931,745)	1,277,459	2,650,530	1,275,017
Fair values gain/(loss) on financial assets	-	(585,143)	-	(585,143)
Available-for-sale financial assets - reclassification of fair value adjustment to profit or loss upon disposal	-	-	(70,498)	(2,278,584)
Reversal of income tax relating to components of other comprehensive income	-	604,588	-	761,306
	<u>(931,745)</u>	<u>596,904</u>	<u>2,580,032</u>	<u>(1,527,404)</u>
Total comprehensive (loss)/income for the year	<u>(4,843,630)</u>	<u>(8,035,560)</u>	<u>(10,255,687)</u>	<u>(20,903,257)</u>
Profit/(loss) Attributable to :				
Owners of the Company	(3,651,679)	(7,448,662)	(12,212,680)	(17,729,096)
Non-Controlling Interest	<u>(260,206)</u>	<u>(1,183,802)</u>	<u>(623,038)</u>	<u>(1,646,757)</u>
Loss for the year	<u>(3,911,885)</u>	<u>(8,632,464)</u>	<u>(12,835,718)</u>	<u>(19,375,853)</u>
Total Comprehensive (loss)/income Attributable to :				
Owners of the Company	(4,559,773)	(7,017,510)	(9,792,260)	(19,514,924)
Non-Controlling Interest	<u>(283,857)</u>	<u>(1,018,050)</u>	<u>(463,426)</u>	<u>(1,388,333)</u>
	<u>(4,843,630)</u>	<u>(8,035,560)</u>	<u>(10,255,687)</u>	<u>(20,903,257)</u>
Earnings/(loss) per share of RM0.50 each				
- Basic (sen)	(3.55)	(7.26)	(11.88)	(17.29)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	AS AT THE END OF THE CURRENT FINANCIAL PERIOD 31.12.2015 RM (Unaudited)	AS AT THE PRECEDING FINANCIAL YEAR END 31.12.2014 RM (Audited)
ASSETS		
Non-current assets		
Property, Plant and Equipment	13,900,649	13,168,113
Investment Properties	421,963	461,727
Intangible Assets	4,084,368	-
Other Investments	143,432	1,034,231
Total Non-current assets	<u>18,550,412</u>	<u>14,664,071</u>
Current Assets		
Inventories	6,834,881	6,271,323
Due from Customers on Contract	1,123,937	1,541,064
Trade & Other Receivables	17,198,894	29,651,145
Cash and Bank Balances	5,401,957	6,443,800
Total Current Assets	<u>30,559,669</u>	<u>43,907,332</u>
TOTAL ASSETS	<u>49,110,081</u>	<u>58,571,403</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	51,381,400	51,381,400
Reserves	(17,552,668)	(7,760,408)
Shareholders' funds	<u>33,828,732</u>	<u>43,620,992</u>
Non-Controlling Interest	3,648,224	4,111,650
Total equity	<u>37,476,956</u>	<u>47,732,642</u>
Non-current liabilities		
Borrowings	179,074	300,728
Deferred Tax Liabilities	1,152,984	1,152,984
Total Non-current liabilities	<u>1,332,058</u>	<u>1,453,712</u>
Current Liabilities		
Provisions	108,181	130,211
Trade & Other Payables	8,209,933	6,979,226
Borrowings	1,982,747	1,335,774
Current Tax Payables	-	7,253
Due to Customers on Contract	204	932,585
Total Current Liabilities	<u>10,301,066</u>	<u>9,385,049</u>
TOTAL EQUITY AND LIABILITIES	<u>49,110,081</u>	<u>58,571,403</u>

Net Assets per share of RM0.50 each (RM)

0.33

0.42

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

INDUSTRONICS BERHAD (23699-X)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE TWELVE (12)-MONTHS FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	Attributable to Owners of the Parent										
	Non Distributable						Distributable				
	Share capital	Share premium	Treasury shares	Foreign currency reserve	Share issuance scheme reserve	Revaluation reserves	Fair value adjustment reserve	Retained earnings/ (accumulated losses)	Share-holders Fund	Non-Controlling Interest	Total Equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 31 December 2014	51,381,400	1,253,054	-	952,281	458,620	4,398,276	74,806	(14,897,445)	43,620,992	4,111,650	47,732,642
Total comprehensive loss for the year	-	-	-	2,490,918	-	-	-	(12,212,680)	(9,721,762)	(463,426)	(10,185,188)
Available-for-sale financial assets reclassification of fair value adjustment to profit or loss upon disposal	-	-	-	-	-	-	(70,498)	-	(70,498)	-	(70,498)
At 31 December 2015	51,381,400	1,253,054	-	3,443,199	458,620	4,398,276	4,308	(27,110,125)	33,828,732	3,648,224	37,476,956
At 31 December 2013	50,336,450	946,674	-	(64,312)	629,156	11,220,043	2,938,533	(4,051,422)	61,955,122	5,499,983	67,455,105
Total comprehensive loss for the year	-	-	-	1,016,593	-	-	-	(17,729,096)	(16,712,503)	(1,388,333)	(18,100,836)
Reversal of revaluation of land and building	-	-	-	-	-	(700,000)	-	-	(700,000)	-	(700,000)
Available-for-sales financial assets - Current year gain	-	-	-	-	-	-	(585,143)	-	(585,143)	-	(585,143)
Available-for-sales financial assets reclassification of fair value adjustment to profit or loss upon disposal	-	-	-	-	-	-	(2,278,584)	-	(2,278,584)	-	(2,278,584)
Crystallisation of deferred tax upon disposal of property	-	-	-	-	-	-	-	761,306	761,306	-	761,306
Exercise of SIS options	1,044,950	306,380	-	-	(170,536)	-	-	-	1,180,794	-	1,180,794
Arising from disposal of properties	-	-	-	-	-	(6,121,767)	-	6,121,767	-	-	-
At 31 December 2014	51,381,400	1,253,054	-	952,281	458,620	4,398,276	74,806	(14,897,445)	43,620,992	4,111,650	47,732,642

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

INDUSTRONICS BERHAD (23699-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE TWELVE (12)-MONTHS FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	Current Year 12 Months Ended 31.12.2015 (Unaudited)	Preceding Year 12 Months Ended 31.12.2014 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(12,835,718)	(18,500,280)
Adjustments for non-cash flow:-		
Non-cash items	3,595,381	4,285,678
Non-operating items	(446,178)	957,976
Operating loss before changes in working capital	(9,686,515)	(13,256,626)
Net change in current assets	3,190,899	(6,254,314)
Net change in current liabilities	47,375	(6,186,745)
Cash used in operations	(6,448,241)	(25,697,685)
Interest paid	(149,936)	(131,047)
Taxes refunded	42,435	-
Taxes paid	(82,964)	(13,566)
Net cash generated from/(used in) operating activities	(6,638,706)	(25,842,298)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,232,973)	(162,189)
Investment in intangible assets	(4,084,368)	-
Proceeds from disposal of property, plant and equipment	8,316,867	1,813,761
Proceeds from disposal of quoted investments	1,392,343	2,074,843
Interest received	666	131,516
Net cash generated from investing activities	4,392,535	3,857,931
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares pursuant to ESOS	-	1,180,794
Net (repayment)/drawdown of bank borrowings	-	(1,166,495)
Net repayment of hire purchase	(164,219)	(267,085)
Net cash (used in)/generated from financing activities	(164,219)	(252,786)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,410,390)	(22,237,153)
Effect of exchange rate changes	679,010	1,226,943
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5,373,369	26,383,579
CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,641,988	5,373,369
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	5,401,957	6,443,800
Bank overdraft	(1,759,969)	(1,070,431)
	3,641,988	5,373,369

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

These condensed consolidated interim financial statement, for the financial year ended 31 December 2015 have not been audited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") ("Listing Requirements").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014 except for the adoption of the following new MFRSs, Amendments to MFRSs and IC Interpretations which are applicable for the Group's financial period beginning 1 January 2015:-

Effective for financial periods beginning on or after 1 July 2014

Amendment to MFRS 2	Share-based Payment (Annual Improvement to MFRSs 2010-2012 Cycle)
Amendment to MFRS 3	Business Combinations (Annual Improvement to MFRSs 2010-2012 Cycle)
Amendment to MFRS 3	Business Combinations (Annual Improvement to MFRSs 2011-2013 Cycle)
Amendment to MFRS 8	Operating Segments (Annual Improvement to MFRSs 2010-2012 Cycle)
Amendment to MFRS 13	Fair Value Adjustment (Annual Improvement to MFRSs 2011-2013 Cycle)
Amendment to MFRS 116	Property, Plant and Equipment (Annual Improvement to MFRSs 2010-2012 Cycle)
Amendment to MFRS 119	Employee Benefits (Defined Benefit Plans: Employee Contributions)
Amendment to MFRS 124	Related Party Disclosures (Annual Improvements to MFRSs 2010-2012 Cycle)
Amendment to MFRS 138	Intangible Assets (Annual Improvements to MFRSs 2010-2012 Cycle)
Amendment to MFRS 140	Investment Property (Annual Improvements to MFRSs 2011-2013 Cycle)

The adoption of the above standards will have no material impact on the financial statements of the Group.

A2. Auditors' report on the preceding year's audited financial statements

The Group's financial statements for the financial year ended 31 December 2014 is not qualified.

A3. Seasonal or Cyclical Factors

The business operations of the Group is generally non-seasonal and not subject to any seasonal or cyclical factors. The nature of the group's business is primarily project based and hence impact on the Group is subjected to systemic market risk.

A4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial year ended 31 December 2015.

A5. Changes in estimates

There is no significant change in estimates of amounts reported in prior financial year that have a material effect in the current financial year.

NOTES TO THE INTERIM FINANCIAL REPORT

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities for the current financial year.

a. Issuance of equity

There was no new ordinary shares issued during the financial year ended 31 December 2015.

b. Share buy-backs, share cancellations and sale of treasury shares

There was no share buy-backs, share cancellation and sale of treasury shares during the financial year ended 31 December 2015.

A7. Dividend paid

There were no dividends paid during the current financial year.

A8. Segmental Reporting

For management purposes, the Group is organised into the following business units based on their products and services, and has four reportable operating segments as follows:

Electronics & system integration - Design, manufacturing and installation of electronics and microprocessor controlled products. Trading, maintenance and supply of industrial electronic equipment. Intelligent transportation system and major system integration projects involving Information Communication Technology, supply and service of telecommunication equipment, audio visual multimedia systems.

Security systems, mechanical and electrical engineering ("M&E") - Supply and installation of security systems. Specialist in fire protection system design and installation works and mechanical engineering services. Industrial maintenance and service works. Trading of transport equipment and provision of related services. Manufacturing of filter inclusive of import and marketing.

Sheet metal fabrication - Involving in precision sheet metal fabrications works and manufacturing of precision fabrication.

Other operations - Involving in provision of mobile entertainment services, integrated internet marketing services, development of IT applications, general trading and hospitality management

Geographical Segments

Malaysia - All main businesses disclosed in primary reporting format-business segments

Hong Kong - Provision of mobile entertainment services, integrated internet marketing services, development of IT applications, general trading and hospitality management

Singapore - Trading, maintenance and supply of industrial electrical equipment

NOTES TO THE INTERIM FINANCIAL REPORT

A8. Segmental Reporting (Continued)

a. Individual quarter

Business segments:												
	Electronics & System Integration		Security Systems & M&E		Sheet Metal Fabrication		Other Operations		Adjustments and Eliminations		Per consolidated Financial Statements	
Individual quarter ended	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue												
External customers	2,463	3,032	422	(1,025)	-	14	3,059	309	-	-	5,944	2,329
Inter-segment	2,595	815	2	15	-	0	-	-	(2,597)	(828)	-	-
Total revenue	5,058	3,848	424	(1,011)	-	14	3,059	309	(2,597)	(828)	5,944	2,329
Results												
Interest income	1	27	-	-	-	-	-	-	-	-	1	28
Finance costs	10	22	21	15	-	7	4	4	-	(6)	35	42
Depreciation	48	78	72	79	22	23	(275)	51	-	-	(133)	230
Segment profit/(loss)	(2,311)	(22,697)	(318)	(4,046)	(310)	130	(1,117)	(1,384)	144	20,240	(3,912)	(7,757)
Segment assets	36,005	38,588	11,092	14,069	377	2,015	17,501	13,093	(15,865)	(9,194)	49,110	58,571
Segment liabilities	(7,013)	(10,550)	(4,171)	(7,087)	(38)	(1,644)	(42,879)	(11,598)	42,468	20,040	(11,633)	(10,839)
Capital expenditure	65	75	-	(0)	-	-	(7,431)	482	-	-	(7,366)	557
Geographical segments:												
	Malaysia		Hong Kong		Singapore		Adjustments and eliminations		Per consolidated financial statements			
	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue												
Revenue from external customers			2,756	1,677	3,059	308	129	344	-	-	5,944	2,329
Segment assets			43,824	51,152	17,486	12,979	3,665	3,634	(15,865)	(9,194)	49,110	58,571
Capital expenditure			64	8	(7,430)	482	-	67	-	-	(7,366)	557

b. Cumulative quarters

Business segments:												
	Electronics & System Integration		Security Systems & M&E		Sheet Metal Fabrication		Other Operations		Adjustments and Eliminations		Per consolidated Financial Statements	
Cumulative quarters ended	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue												
External customers	8,903	12,796	2,435	2,730	-	222	12,302	523	-	-	23,640	16,271
Inter-segment	6,025	5,018	12	328	-	15	-	-	(6,037)	(5,359)	-	-
Total revenue	14,928	17,814	2,447	3,058	-	237	12,302	523	(6,037)	(5,359)	23,640	16,271
Results												
Interest income	1	121	-	10	-	-	-	-	-	-	1	131
Finance costs	48	76	81	80	-	50	20	5	-	(25)	149	186
Depreciation	194	357	186	203	89	103	355	533	-	-	824	1,196
Segment profit/(loss)	(4,230)	(27,246)	(847)	(4,145)	(504)	(953)	(7,111)	(6,396)	(144)	20,240	(12,836)	(18,500)
Segment assets	36,005	38,588	11,092	14,069	377	2,015	17,501	13,093	(15,865)	(9,194)	49,110	58,571
Segment liabilities	(7,013)	(10,550)	(4,171)	(7,087)	(38)	(1,644)	(42,879)	(11,598)	42,468	20,040	(11,633)	(10,839)
Capital expenditure	147	152	2	5	-	-	5,287	549	-	-	5,436	706
Geographical segments:												
	Malaysia		Hong Kong		Singapore		Adjustments and eliminations		Per consolidated financial statements			
	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue												
Revenue from external customers			10,115	14,217	12,302	522	1,223	1,532	-	-	23,640	16,271
Segment assets			43,824	51,152	17,486	12,979	3,665	3,634	(15,865)	(9,194)	49,110	58,571
Capital expenditure			148	90	5,288	549	-	67	-	-	5,436	706

NOTES TO THE INTERIM FINANCIAL REPORT

A9. Valuation of property, plant and equipment

The valuation of land and buildings have been brought forward from previous valuation done as at 31 December 2013.

A10. Subsequent Events

Other than as disclosed below, there were no material events subsequent to the end of the period reported on that have not been reflected in the financial statements for the said period.

- a. On 4 January 2016, the Board of Directors of Industronics announced that Industronics and Vashion Group Limited ("Vashion") have agreed to extend the validity of the Conditional Deposit Agreement in relation to the proposed subscription of shares in Vashion by way of private placement for such number of new ordinary shares in Vashion and at such price and on such terms as shall be agreed and documented in a Placement Agreement to be entered into between Vashion and the Company, by another three (3) months i.e. until 31 March 2016.
- b. On 18 February 2016, subsidiary of the Company, Sukitronics Sdn Bhd has entered into a sale and purchase agreement with Triangle Worldwide Sdn Bhd to dispose its property for a total consideration of RM2,350,000. The carrying amount of the property is approximately RM2,183,243.

A11. Effect of Changes in the Composition of the Group

Other than as disclosed below, there were no material changes in the composition of the Group during the current financial year including business combination, acquisition of subsidiaries and long term investment, disposal of subsidiaries, restructuring and discontinuing operations.

- a. On 17 March 2015, the Company has incorporated a wholly-owned subsidiary in Hong Kong with the name "Itronic Management Limited" with paid up capital of HKD10,000. The intended principal activities of Itronic Management Limited is to carry on hospitality management.
- b. On 9 July 2015, the Company entered into an Equity Transfer Agreement ("ETA") with Acute Horizon Limited for the disposal of all the equity interest in Industronics Corporation Limited ("ICL"), a wholly-owned subsidiary of the Company for a total cash consideration of RM1. Net liabilities of ICL as at 30 June 2015 is approximately RM31,050 and estimated gain on disposal is RM31,051.
- c. On 11 November 2015, the Company has acquired the entire share capital of a company incorporated in Hong Kong, Metro Energy Limited comprising 1 ordinary share of HKD1 at a purchase consideration of HKD1. Metro Energy Limited is currently dormant and its intended principal activity is general trading.

A12. Contingent Assets or Contingent Liabilities

There were no material changes in contingent assets or contingent liabilities since the last audited statement of financial position as at 31 December 2014.

A13. Intangible Assets

The intangible assets of RM4,084,368 is related to investment in software development from a subsidiary of the Company, Industronics Technology Limited.

A14. Capital Commitment

Other than as disclosed below, the Group has no other material capital commitments as at 31.12.2015.

- a. The subsidiary of the Company, Industronics Technology Limited has a capital commitments related to software under development of HKD12,623,500, approximately equivalent to RM6,989,632.

NOTES TO THE INTERIM FINANCIAL REPORT

A15. Related Party Transactions

- a. Save as disclosed below, there were no significant transactions and balances with related parties of the Group during the current financial year under review.

	Individual Current Quarter RM	Cumulative Quarters RM
Sales to an entity connected with a director of a subsidiary of the group	-	-

Outstanding balance with related party as at 31 December 2015 and 31 December 2014 are as follows:

	As at 31.12.2015 Unaudited RM	As at 31.12.2014 Audited RM
Sales to an entity connected with a director of a subsidiary of the group	1,248,532	1,291,711

- b. There were no transactions with the directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment.

A16. Profit/(loss) Before Taxation

The following amounts have been included in arriving at operating profit/(loss):

	Q415 RM	Q414 RM	YTD 15 RM	YTD 14 RM
Interest Income	(311)	(26,704)	(666)	(131,516)
Other Income	(7,898)	(1,204,305)	(338,020)	(1,496,133)
Interest expense	35,019	82,227	149,936	186,448
Depreciation and amortization	(131,805)	230,117	824,645	1,195,659
Provision for receivables	509,221	(33,735)	509,221	213,885
Provision for and write off of inventories	331,282	(59,136)	331,282	7,560
Write off of property, plant and equipment	-	(6,199)	-	241,212
Gain on disposal of subsidiary	-	-	(31,051)	-
(Gain)/Loss on disposal of quoted investment	-	-	(564,397)	963,445
(Gain)/Loss on disposal of property, plant and equipment	-	1,462,900	(30,000)	1,454,811
Realised foreign exchange (gain)/loss	(43,325)	43,592	(139,900)	17,538
Unrealised foreign exchange (gain)/loss	170,242	(94,010)	(533,637)	21,134

- a. Gain or loss on derivatives is not applicable as the Company does not have any derivative financial instrument.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of Performance

- a. Quarter ended 31 December 2015 (4Q15) compared with quarter ended 31 December 2014 (4Q14)

The Group's revenue was higher in 4Q15 (RM5.94 million) compared to 4Q14 (RM2.33 million). This is mainly attributable to higher revenue generated by Hong Kong subsidiaries in Other Operations segment.

The Group recorded loss before tax of approximately RM3.91 million in 4Q15 compared to RM7.76 million in 4Q14. The lower loss was mainly due to higher revenue and lower operating expenses in 4Q15 compared with 4Q14.

- b. Current financial year ended 31 December 2015 (12M15) compared with preceding financial year ended 31 December 2014 (12M14)

The Group recorded higher revenue of RM23.64 million for 12M15 compared to RM16.27 million for 12M14, mainly attributable to higher revenue generated by Hong Kong subsidiaries in Other Operations segment.

The Group recorded lower loss before tax of RM12.84 million in 12M15 compared to RM18.5 million in 12M14 mainly due to higher revenue generated and lower operating expenses in 12M15.

B2. Material Changes in the Quarterly Results (4Q15) compared to the Results of the Preceding Quarter (3Q15)

The Group recorded higher revenue of RM5.94 million in 4Q15 compared with RM3.63 million in 3Q15. Loss before tax was RM3.91 million in the current quarter compared to RM3.32 million in 3Q15. Despite higher revenue, loss has increased slightly in 4Q15 mainly due to lower gross profit margin generated in 4Q15 compared to 3Q15.

B3. Current Year Prospects

The prevailing uncertainties in the global economy continue to pose challenges to the Group financial performance.

External factors such as increased globalization, increased competition in the industry, changing business trends, and other macro-economic factors are among those that need to be constantly evaluated.

The Group will continue to explore new investment opportunities and improve the efficiency of its operations to enhance shareholders' values.

B4. Profit Forecast

Not applicable as no profit forecast was published.

B5. Taxation

Taxation comprises the following:-

	Current Quarter RM	Cumulative Quarters
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B6. Sale of Quoted and Unquoted Investments

Other than as disclosed below, there were no material sale of quoted and unquoted investments for the financial year ended 31 December 2015:

- a. On 17 April 2015, the Company disposed in the open market an aggregate of 3,241,900 ordinary shares of RM0.10 each in Solution Engineering Holding Berhad at a proceed of RM1,063,343.
- b. On 20 April 2015, the Company disposed in the open market an aggregate of 700,000 ordinary shares of RM0.10 each in Solution Engineering Holding Berhad at a proceed of RM232,500.
- c. On 21 April 2015, the Company disposed in the open market an aggregate of 100,000 ordinary shares of RM0.10 each in Solution Engineering Holding Berhad at a proceed of RM32,000.
- d. On 23 April 2015, the Company disposed in the open market an aggregate of 200,000 ordinary shares of RM0.10 each in Solution Engineering Holding Berhad at a proceed of RM64,500.

B7. Sale of Properties

Other than as disclosed below, there were no material sale of properties for the financial year ended 31 December 2015:

On 19 November 2014, the Company had entered into a sale and purchase agreement with Uptownace (M) Sdn Bhd (Company No. 301897-P) to dispose a two (2) storey factory with office and guardhouse bearing postal address of No. 6, Jalan Perusahaan Utama, Taman Industri Selesa Jaya, 43300 Kajang, Selangor Darul Ehsan to the Purchaser for a total consideration of RM8,100,000.00.

On 17 April 2015, the Company has received final payment of balance purchase price in respect of the above disposal.

B8. Status of Corporate Proposals

As at 24 February 2016, being the latest practicable date ("LPD") prior to the issue of this quarterly report, save as disclosed below, there were no corporate proposals announced but not completed by the Company:

- a. Proposed Shareholders Mandate for Disposal of up to 20,041,900 Ordinary Shares of RM0.10 Each in Solution Engineering Holdings Berhad ("SEHB") ("SEHB Shares") ("Proposed Shareholder's Mandate for Disposal of Shares").

On 3 December 2013, on behalf of the Board of Directors of Industronics Berhad ("IB" or the "Company") ("Board"), TA Securities had announced that the Company proposes to obtain a mandate from its shareholders to, if deemed fit in the future, dispose up to 20,041,900 ordinary shares of RM0.10 each in Solution Engineering Holdings Berhad ("SEHB") ("SEHB Shares").

Bursa Malaysia Securities Berhad had via its letter dated 13 December 2013 approve the Proposed Shareholder's Mandate for Disposal of Shares.

The shareholders of IB had on 21 January 2014 approved the Proposed Shareholder's Mandate for Disposal of SEHB Shares at an extraordinary general meeting held.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B9. Group Borrowings and Debt Securities

Total Group Borrowings as at 31 December 2015:-

	RM
a) Secured and unsecured :	
Total secured borrowings	2,161,821
Total unsecured borrowings	-
Total borrowings	<u>2,161,821</u>
b) Short Term and Long Term	
Total short-term borrowings	1,982,747
Total long term borrowings	179,074
Total borrowings	<u>2,161,821</u>

All borrowings are denominated in either Ringgit Malaysia or Hong Kong Dollar.

B10. Off Balance Sheet Financial Instruments

Not applicable as off balance sheet financial instruments are accounted for in the statement of financial position.

B11. Realised and Unrealised Losses Disclosure

	As at 31.12.2015 RM (unaudited)	As at 31.12.2014 RM (audited)
Total accumulated losses of Industronics Berhad and its subsidiaries:		
- Realised	(59,389,798)	(46,842,023)
- Unrealised	545,688	(31,113)
Less: consolidation adjustments	31,733,985	31,975,691
Total group (accumulated losses)/retained profits as per consolidated accounts	<u>(27,110,125)</u>	<u>(14,897,445)</u>

B12. Material Litigations

As at the LPD prior to the issue of this quarterly report, the Group is not engaged in any material litigations except for:

Sukitronics Sdn Bhd ("SSB"), a subsidiary company has claimed loss & damage of approximately USD1,184,000 or RM3,706,000 against First Kuwaiti Trading and Contracting W.L.L ("FKTC") for the breach of the contract while FKTC has counter claimed SSB for an amount of USD8,626,000 or approximately RM26,999,000. The Arbitration was relating to the appointment of SSB by FKTC to construct, complete, test, commission and maintain the building, mechanical and electrical works relating to the construction of US New Consulate Compound in Surabaya, Indonesia.

The Continued Arbitration Hearing was held on 22nd till 25th April 2013, 1st till 2nd August 2013, 18th till 22nd November 2013, 20th till 23rd January 2014, 19th till 23rd May 2014, 8 August 2014, 12th till 14th November 2014, 30th till 31st March 2015, 20th May 2015 and 24th till 26th June 2015. The Arbitrator had further fixed the Arbitration for Continued Hearing on 18th till 20th April 2016.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B13. Dividend

No dividend has been declared in the current quarter.

B14. Basic earnings/(loss) per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter 31.12.2015	Preceding Year Quarter 31.12.2014	Current Year 31.12.2015	Preceding Year 31.12.2014
Net loss attributable to the owners of the Company for the period	(3,651,679)	(7,448,662)	(12,212,680)	(17,729,096)
Weighted average no. of ordinary shares in issue	102,762,800	102,551,775	102,762,800	102,551,775
Basic loss per share (sen)	(3.55)	(7.26)	(11.88)	(17.29)

b) Diluted earnings/(loss) per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter 31.12.2015	Preceding Year Quarter 31.12.2014	Current Year 31.12.2015	Preceding Year 31.12.2014
Net loss attributable to the owners of the Company for the period	(3,651,679)	(7,448,662)	(12,212,680)	(17,729,096)
Weighted average no. of ordinary shares in issue	109,382,800	109,171,775	109,382,800	109,171,775
Diluted loss per share (sen)	(3.34)	(6.82)	(11.17)	(16.24)

B15. Authorisation For Issue

The interim financial statements for the twelve (12)-months financial year ended 31 December 2015 were authorised for issue by the Board of Directors.

BY ORDER OF THE BOARD
INDUSTRONICS BERHAD

24 February 2016